

TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE



FISCAL NOTE

HB 162 – SB 335

March 11, 2021

SUMMARY OF BILL: Requires the Tennessee Student Assistance Corporation (TSAC) to award a one-time grant to students enrolled in eligible postsecondary institutions who have lost a family member due to COVID-19, to assist the student in completing their degree or credential. Requires TSAC to establish guidelines for determining the amount of a grant awarded to an eligible student.

ESTIMATED FISCAL IMPACT:

Increase State Expenditures –

Exceeds \$1,717,200/FY21-22

Exceeds \$230,900/FY22-23 and Subsequent Years

Assumptions:

- Based on information provided by the Department of Health (DOH), as of March 10, 2021
 - There are 786,597 confirmed and probable cases;
 - There have been 11,606 confirmed and probable deaths from COVID-19;
 - The number of active cases has dropped from 85,406 on December 21, 2020 to 13,886 on March 5, 2021; and
 - As of March 10, 2021, a total of 1,120,705 Tennesseans has received vaccine.
- Of the 11,606 confirmed and probable COVID-19 deaths in this state, approximately 11.4 percent or 1,325 persons were between the ages of 41 and 60.
- This analysis assumes:
 - The majority of persons currently enrolled in an eligible postsecondary institution are between the ages of 18-24;
 - Persons in such age group are most likely to lose a parent instead of a spouse or child; and
 - All 1,325 COVID-19 deaths are likely to have at least one dependent child of college age currently enrolled in an eligible postsecondary institution.
- At this time, TSAC has not determined or establish the one-time grant award amount necessary to assist students in completing their degrees, therefore this analysis assumes the minimum grant amount similar to completion grants awarded under the tnAchieves program, which awards an average of \$450 per year to students experiencing hardships.

- For each student which currently receives an award under the tnAchieves program, awards are provided for an average of three years, for a total of \$1,350 (\$450 per year x 3 years) awarded per student.
- Awarding a one-time grant to students who have lost a family member due to COVID-19 will result in an increase in state expenditures of \$1,788,750 (1,325 dependents x \$1,350 one-time award) in FY21-22.
- Given the decline in active cases and increase in the number of vaccinations statewide, it is reasonably assumed that the number of deaths attributed to COVID-19 will continue to decline and eventually be comparable with the number of deaths occurring statewide due to the flu.
- Based on information on the Centers for Disease Control and Prevention's National Center for Health Statistics website, the following number of deaths in Tennessee were attributed to flu or pneumonia in the following years:
 - In 2019, there were 1,332 deaths;
 - In 2018, there were 1,646 deaths;
 - In 2017, there were 1,656 deaths;
 - In 2016, there were 1,533 deaths; and
 - In 2015, there were 1,723 deaths.
- It is reasonably estimated that at least 1,500 deaths will occur in Tennessee due to COVID-19 each year and that 11.4 percent, or 171 (1,500 x 11.4%) will be between the ages of 41-60 with at least one dependent child of college age enrolled in an eligible postsecondary institution.
- The increase in state expenditures is estimated to exceed \$230,850 (171 x \$1,350) in FY22-23 and subsequent years.

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.



Bojan Savic, Interim Executive Director

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